

**UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:

FIELDWOOD ENERGY LLC, *et al.*

DEBTORS¹.

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CHAPTER 11

**Case No. 20-33948(MI)
Jointly Administered**

**SBM GULF PRODUCTION, LLC’S LIMITED OBJECTION
AND RESERVATION OF RIGHTS TO NOTICE TO CONTRACT PARTIES TO
EXECUTORY CONTRACTS AND UNEXPIRED LEASES OF THE SCHEDULE OF
ASSUMED CONTRACTS AND CURE AMOUNTS**

[Docket Nos. 1395 & 1456]

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

SBM Gulf Production, LLC hereby submits this Limited Objection and Reservation of Rights to Notice to Contract Parties to Executory Contracts and Unexpired Leases of the Schedule of Assumed Contracts and Cure Amounts [Docket Nos. 1395 & 1456] and respectfully states as follows:

I.

Introduction

1. SBM Gulf Production, LLC (“SBM”), Debtor Fieldwood Energy LLC (“Fieldwood”) and certain third-party producers are parties to the following agreements (“PHA Agreements”) relating to SBM’s Thunder Hawk production platform and certain of the Credit Bid

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Dynamic Offshore Resources NS, LLC (0158); Fieldwood Energy LLC (6778); Fieldwood Energy Inc. (4991); Fieldwood Energy Offshore LLC (4494); Fieldwood Onshore LLC (3489); Fieldwood SD Offshore LLC (8786); Fieldwood Offshore LLC (2930); FW GOM Pipeline, Inc. (8440); GOM Shelf LLC (8107); Bandon Oil and Gas GP, LLC (9172); Bandon Oil and Gas, LP (9266); Fieldwood Energy SP LLC (1971); Galveston Bay Pipeline LLC (5703); and Galveston Bay Processing LLC (0422). The Debtors’ primary mailing address is 2000 W. Sam Houston Parkway S., Suite 1200, Houston, TX 77042.

Acquired Interests under the Plan, including offshore leases G28022 and G33757 and certain offshore wells identified as the Big Bend MC 698, Dantzler 1 MC 782 and Dantzler 2 MC 782.

- (i) Letter Agreement dated April 11, 2018, by and between SBM and Fieldwood;
- (ii) Consent to Assignment dated April 11, 2018, by and between SBM, Noble Energy, Inc. and Fieldwood;
- (iii) Production Handling Agreement, as amended, by and between SBM, Noble Energy, Inc., W&T Energy IV, LLC, Red Willow Offshore, LLC, Houston Energy Deepwater Ventures V, LLC, ILX Prospect Dantzler, LLC and Ridgewood Dantzler, LLC, dated August 28, 2014, with a joinder by SBM Thunder Hawk S.A., and the respective successors-in-interest of the PHA parties, including Fieldwood; and
- (iv) First Amended and Partially Restated Thunder Hawk Production Handling Agreement, as amended, by and between SBM, Murphy Exploration & Production Company – USA, ENI Petroleum US LLC and Marubeni Oil & Gas (USA) Inc. dated February 11, 2009, with a joinder by SBM Thunder Hawk S.A., and the respective successors-in-interest of the Thunder Hawk PHA parties, including Fieldwood.

2. Certain of the PHA Agreements were included in the initial *Notice to Contract Parties to Executory Contracts and Unexpired Leases of the Schedule of Assumed Contracts and Cure Amounts* (Docket No. 1395) and *Notice of Filing of Amended Schedule of Assumed Contracts and Cure Amounts* (Docket No. 1456) (collectively, the “Cure Notices”). For the listed PHA Agreements, each includes a cure amount of \$0.00 and lists the “Credit Bid Purchaser” as the applicable entity.

II.

Limited Objection and Reservation of Rights

3. SBM is generally in agreement with the proposed assumption and assignment of the PHA Agreements to the Credit Bid Purchaser. SBM files this limited objection to ensure that the correct PHA Agreements are included, to the extent that the Cure Notices contain any errors in the description of the agreements, parties, properties covered, or otherwise, or are incomplete

with respect to any of the PHA Agreements. SBM further acknowledges that there is not currently a pre-petition amount payable owed under the PHA Agreements but reserves all rights with regard to post-petition amounts payable and/or or any amounts due for time periods prior to and including the effective date of assumption and assignment. Further, SBM reserves all rights regarding establishment of adequate assurance of future performance with regarding to the PHA Agreements.

Dated: June 7, 2021

Respectfully submitted,

SNOW & GREEN LLP

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**ATTORNEY FOR SBM GULF
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CERTIFICATE OF SERVICE

I hereby certify that on June 7, 2021, a true and correct copy of the foregoing pleading was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas to all parties authorized to receive electronic notice in this case.

/s/ Kenneth P. Green
Kenneth P. Green